

Department of Justice

FOR IMMEDIATE RELEASE WEDNESDAY, DECEMBER 8, 2005 WWW.USDOJ.GOV AT (202) 514-2007 TDD (202) 514-1888

JUSTICE DEPARTMENT WILL NOT CHALLENGE PROPOSAL BY DENVER POST TO CREATE A FREE EDITION

WASHINGTON, D.C. – The Department of Justice today announced that it will not challenge the creation of a free edition of the *Denver Post* and the handling of that edition's non-reportorial and non-editorial business operations under an existing newspaper joint operating agreement.

The Department's position was stated in a business review letter from Thomas O.

Barnett, Acting Assistant Attorney General for the Antitrust Division, to counsel for the parties to the Denver newspaper joint operating agreement (JOA).

"As described by the parties, the creation of a new edition of the *Denver Post* likely will increase output and provide greater choice for both readers and advertisers in the Denver metropolitan area," said Barnett.

Two daily Denver newspapers, MediaNews Group Inc.'s *Denver Post* and the E.W. Scripps Co.'s *Rocky Mountain News*, participate in a JOA organized as the Denver Newspaper Agency. In January of 2001, the Attorney General, upon the Antitrust Division's recommendation, approved the JOA under the Newspaper Preservation Act. The Act provides limited antitrust immunity for certain joint actions that might otherwise violate the federal antitrust laws. When parties to a JOA created under the Newspaper Preservation Act extend

their joint activity beyond what was approved by the Attorney General, the new activity is evaluated under usual antitrust principles applied to joint ventures.

MediaNews, Scripps, and the Denver Newspaper Agency requested that the Division issue a business review letter expressing its enforcement intentions if the Denver Post created a new free edition. In the request, MediaNews stated that the new edition of the *Denver Post* would be distributed free to readers in the greater Denver area. According to the proposal, the creation of the new edition would allow the *Denver Post* to expand its penetration among certain demographic groups it is currently not reaching effectively with its news and voice and would create another choice for Denver advertisers.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Antitrust Documents Group of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, any documents supporting the business review will be added to the file, unless a basis for their exclusion for reasons of confidentiality has been established pursuant to paragraph 10(c) of the Business Review Procedure, 28 C.F.R. § 50.6.

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